

FILED

Feb 05 2025

Mark B. Busby
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA****CRIMINAL COVER SHEET**

Instructions: Effective November 1, 2016, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case.

CASE NAME:**USA v. MICHAEL M. GILBERT****CASE NUMBER:** CR25-00031 MMC**CR****Is This Case Under Seal?**

Yes

No ☒**Total Number of Defendants:**1 ☒

2-7

8 or more

Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326?

Yes

No ☒**Venue (Per Crim. L.R. 18-1):**SF ☒

OAK

SJ

Is this a potential high-cost case?

Yes

No ☒**Is any defendant charged with a death-penalty-eligible crime?**

Yes

No ☒**Is this a RICO Act gang case?**

Yes

No ☒**Assigned AUSA****(Lead Attorney):** Kelsey Davidson**Date Submitted:** February 5, 2025**Comments:**

RESET FORM

SAVE PDF

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

UNITED STATES OF AMERICA,
V.

Michael M. Gilbert

FILED

Feb 05 2025

Mark B. Busby
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO

DEFENDANT(S).

INDICTMENT

26 U.S.C. § 7206(1) – Making and Subscribing a False Tax Return

A true bill.

/S/ Foreperson of the Grand Jury

Foreman

Filed in open court this 5th day of

February, 2025



Clerk



Bail, \$ Summons

Hon. Laurel Beeler, U.S. Magistrate Judge

FILED

Feb 05 2025

Mark B. Busby
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO

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Attorneys for the United States of America

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHAEL M. GILBERT,

Defendant.

CASE NO. CR25-00031 MMC

VIOLATIONS:

26 U.S.C. § 7206(1) – Making and Subscribing a
False Tax Return

INDICTMENT

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. MICHAEL M. GILBERT (“GILBERT”) lived in the Northern District of California and was a
Certified Public Accountant (CPA) licensed to practice in the State of California since May 1985.

INDICTMENT

2. GILBERT owned and operated several businesses including M.M. Gilbert & Company, Inc. (“M.M. Gilbert”) and Gilbert & Company, Inc. Through these businesses, GILBERT provided CPA services including tax preparation and advice, and received payment for those services.

3. GILBERT controlled and operated a Nevada corporation, White Mountain Properties, Inc. (“White Mountain”). GILBERT solicited clients of his CPA services to make payments to White Mountain. GILBERT told these clients that their payments would be for “donations,” “tax strategies,” “positional arrangements,” “structured arrangements,” “tax structuring,” “consuming,” or “asset acquisition,” among other things. These payments to White Mountain were gross receipts reportable on its tax returns.

4. In or about September 2020, GILBERT used his authority as the sole owner of and signer on White Mountain’s bank account to transfer to himself approximately \$2,440,136. In or about October 2021, GILBERT used that same authority to transfer approximately \$3,005,000 from White Mountain’s investment account to himself. These transfers to GILBERT constituted income reportable on his individual income tax returns.

5. The Internal Revenue Service (“IRS”) was an agency of the U.S. Department of Treasury responsible for enforcing the tax laws of the United States and collecting taxes owed to the U.S. Department of Treasury.

6. GILBERT prepared and filed with the IRS annual Forms 1120, U.S. Corporation Income Tax Return, for M.M. Gilbert and White Mountain. Forms 1120 were used by domestic corporations to report their income, gains, losses, deductions, credits, and any tax due.

7. GILBERT prepared and filed with the IRS annual Forms 1040, U.S. Individual Income Tax Return. Forms 1040 were used by individuals to report their income, gains, losses, deductions, credits, and any tax due.

COUNTS ONE THROUGH FOUR

Making and Subscribing a False Tax Return
(Title 26, United States Code, Section 7206(1))

8. The allegations set forth in paragraphs 1 through 7 of this Indictment are re-alleged and

incorporated as if set forth fully herein.

9. On or about the dates set forth below, in the Northern District of California, the defendant,
MICHAEL M. GILBERT,
willfully made and subscribed and filed and caused to be filed Forms 1120, U.S. Corporation Income Tax Returns, for M.M. Gilbert & Company, Inc., for the calendar years set forth below, which were verified by written declarations that the tax returns were made under the penalties of perjury and which GILBERT did not believe to be true and correct as to every material matter. The Forms 1120 for M.M. Gilbert & Company, Inc. reported gross receipts in the amounts set forth below, whereas GILBERT knew and believed that M.M. Gilbert & Company, Inc. had more reportable gross receipts:

Count	Filing Date	Tax Year	False Item
1	September 17, 2018	2017	Line 1a, Gross receipts or sales – \$297,961
2	September 17, 2019	2018	Line 1a, Gross receipts or sales – \$286,164
3	September 18, 2020	2019	Line 1a, Gross receipts or sales – \$311,937
4	September 14, 2021	2020	Line 1a, Gross receipts or sales – \$327,413

In violation of Title 26, United States Code, Section 7206(1).

COUNTS FIVE THROUGH NINE

Making and Subscribing a False Tax Return
(Title 26, United States Code, Section 7206(1))

10. The allegations set forth in paragraphs 1 through 7 of this Indictment are re-alleged and incorporated as if set forth fully herein.

11. On or about the dates set forth below, in the Northern District of California, the defendant,
MICHAEL M. GILBERT,
willfully made and subscribed and filed and caused to be filed Forms 1120, U.S. Corporation Income Tax Returns, for White Mountain Properties, Inc. for the calendar years set forth below, which were verified by written declarations that the tax returns were made under the penalties of perjury and which GILBERT did not believe to be true and correct as to every material matter. The Forms 1120 for White

Mountain Properties, Inc. reported gross receipts in the amounts set forth below, whereas GILBERT knew and believed that White Mountain Properties, Inc. had more reportable gross receipts:

Count	Filing Date	Tax Year	False Item
5	September 17, 2018	2017	Line 1a, Gross receipts or sales – \$105,621
6	September 17, 2019	2018	Line 1a, Gross receipts or sales – \$114,846
7	September 14, 2020	2019	Line 1a, Gross receipts or sales – \$127,819
8	September 14, 2021	2020	Line 1a, Gross receipts or sales – \$135,927
9	September 12, 2022	2021	Line 1a, Gross receipts or sales – \$100,000

In violation of Title 26, United States Code, Section 7206(1).

COUNTS TEN THROUGH ELEVEN

Making and Subscribing a False Tax Return
(Title 26, United States Code, Section 7206(1))

12. The allegations set forth in paragraphs 1 through 7 of this Indictment are re-alleged and incorporated as if set forth fully herein.

13. On or about the dates set forth below in the Northern District of California, the defendant,
MICHAEL M. GILBERT,
willfully made and subscribed and filed or caused to be filed Forms 1040, U.S. Individual Income Tax Return, for the calendar years set forth below, which were verified by written declarations that the tax returns were made under the penalties of perjury and which GILBERT did not believe to be true and correct as to every material matter. The Forms 1040 reported total income in the amounts set forth below, whereas GILBERT knew and believed that he had more reportable income.

Count	Filing Date	Year	False Item
10	September 14, 2021	2020	Line 9, Total income – \$156,312
11	September 12, 2022	2021	Line 9, Total income – \$167,552

In violation of Title 26, United States Code, Section 7206(1).

DATED: February 5, 2025

A TRUE BILL.

/s/
FOREPERSON

ISMAIL J. RAMSEY
United States Attorney

/s/ *Julia M. Rugg*
/s/ *Patrick Burns*

JULIA M. RUGG
PATRICK BURNS
Trial Attorneys
Western Criminal Enforcement Section
Department of Justice – Tax Division

/s/ Kelsey Davidson

KELSEY DAVIDSON
Assistant United States Attorney

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING
OFFENSE CHARGED
 26 U.S.C. Section 7202 (Failing to Account for and Pay Over
 Employment Taxes) (Counts One through Seven)

- ☐
- Petty
-
- ☐
- Minor
-
- ☐
- Misdemeanor
-
- ☒
- Felony

PENALTY: Per count: 5 years' imprisonment; 3 years' supervised release; fine of \$250,000 or twice the gain or loss from the offense; and \$100 mandatory special assessment.

Name of District Court, and/or Judge/Magistrate Location

 NORTHERN DISTRICT OF CALIFORNIA
 SAN FRANCISCO DIVISION
DEFENDANT - U.S.
 MICHAEL M. GILBERT

 DISTRICT COURT NUMBER
 CR25-00031 MMC
PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

Internal Revenue Service--Criminal Investigation

☐ person is awaiting trial in another Federal or State Court,
 give name of court


☐ this person/proceeding is transferred from another district
 per (circle one) FRCrP 20, 21, or 40. Show District

☐ this is a reprosecution of
 charges previously dismissed
 which were dismissed on motion
 of:

☐ U.S. ATTORNEY ☐ DEFENSE
SHOW
DOCKET NO.
☐ this prosecution relates to a
 pending case involving this same
 defendant
MAGISTRATE
CASE NO.
☐ prior proceedings or appearance(s)
 before U.S. Magistrate regarding this
 defendant were recorded under

 Name and Office of Person
 Furnishing Information on this form ISMAIL J. RAMSEY

☒ U.S. Attorney ☐ Other U.S. Agency

 Name of Assistant U.S.
 Attorney (if assigned) KELSEY DAVIDSON
DEFENDANT**IS NOT IN CUSTODY**
 1) ☒ Has not been arrested, pending outcome this proceeding.
 If not detained give date any prior
 summons was served on above charges 

 2) ☐ Is a Fugitive

 3) ☐ Is on Bail or Release from (show District)
IS IN CUSTODY
 4) ☐ On this charge

 5) ☐ On another conviction

☐ Federal ☐ State

 6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

 Has detainer ☐ Yes
 been filed? ☐ No

 If "Yes"
 give date
 filed

**DATE OF
ARREST**
 Month/Day/Year

Or... if Arresting Agency & Warrant were not

**DATE TRANSFERRED
TO U.S. CUSTODY**
 Month/Day/Year

☐ This report amends AO 257 previously submitted
ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**
☒ SUMMONS ☐ NO PROCESS* ☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☒ Arraignment ☒ Initial Appearance

Defendant Address:

74 Partridge Dr, San Rafael CA 94901

Date/Time: 2/19/2025 | 10:30 am Before Judge: Hon. Laurel Beeler

Comments:

 * Where defendant previously apprehended on complaint, no new summons or
 warrant needed, since Magistrate has scheduled arraignment